Kodak Highlights

February 1975

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On the Cover

Janet Lynn, five-time U.S. Figure Skating Champion and 1974 World's Professional Women's Champion, has appeared in a number of Kodak TV commercials. Miss Lynn also starred in the Ice Follies revue where she posed for picture-takers during the special Kodak Camera Night events.

Kodak Highlights is published quarterly for shareowners and others with an interest in the company.
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A Look at Kodak Today

An Interview with Company President Walter A. Fallon

In the interview that follows, Kodak president Walter A. Fallon discusses some of the challenges facing Kodak today and views the company's long-term outlook. This interview originally appeared in Kodakery, the company's employee newspaper. Highlights are reprinted here for the benefit of company shareowners.

Looking back on it, how would you characterize the company's performance in 1974?

I think our performance was satisfactory last year, especially when seen in the light of unsettled economic conditions here at home and also abroad. The year reflected the vitality of the photographic industry, which generally outperforms the economy as a whole. For example, sales of Kodak films and of related processing services for amateur photography were up. So was our volume in applied areas, particularly in business systems, x-ray film and graphic arts products.

How did Kodak cameras and projectors move at retail during the holiday selling season?

Apparently, quite well. It's a little too early to see the complete picture, but a substantial majority of the dealers we have surveyed so far say their holiday sales were either better than expected or in line with their expectations. Demand held up particularly well at the low-priced end of the line.

What are they saying, then, about their inventories?

They seem to be saying that retail inventories of Kodak products are at reasonable levels for this time of year.

How do you see the U.S. economy in 1975?

We are facing another year of economic adjustment due to a combination of rapid inflation and business recession. It's a problem that has brought disruptions and hardships to the United States and to much of the rest of the world.

Traditionally, the U.S. economy has its ups and downs, and it has always been possible to bring about recovery from the downs. This isn't a time for getting discouraged, but for working together to get the economy moving in the right direction again. It's a challenge to people in government and to those of us in industry.

How does the Kodak employment picture look for 1975?

That's very difficult to predict this early in the year. As you know, consumer confidence declined sharply in the latter part of 1974. We're hopeful that the indicators will hold up during the early months of this year and, further, that consumers will come back into the economy with more force later on.

This won't be any solace to the people who were let go, but I would point out that we were able to hold the layoffs of last November to a minimum because Kodak had followed a policy of hiring restraint through the fall of 1974. (Kodak Apparatus Division in Rochester, N.Y. released about 200 short-term employees last November. The division employs nearly 12,000 people.) As people retired or left the company, they were not replaced, wherever this was possible. In other cases, replacements came from other Kodak divisions or departments. We are continuing this policy. As to the likelihood of additional steps, that will depend upon business conditions as they develop.

A Look at Kodak Today

Last year, the energy crisis was a national scare. We've talked before with you about energy conservation. How are we doing, as a company?

The figures for Kodak are pretty impressive. To cite a few: For the first nine months of 1974 savings in energy consumption were 29 percent for Kodak Colorado and nearly 15 percent for Kodak Park.

I think it is fair to say that Kodak people have been very innovative in this area.

For example, conservation efforts at Kodak Park have been promoted by a charge-back system. Each division pays a share of the cost of generating electricity and a premium is charged for creating peak demands. Internal committees, each with at least one engineer, have done a fine job in identifying and eliminating sources of energy waste. New processes have been engineered on this basis and older processes have been reengineered.

At the Kodak Apparatus Division, most of our facilities can substitute one fuel for another in order to cope with shortages when it comes to heating and providing steam for manufacturing operations. In fact, several buildings use waste heat from lighting to meet their requirements.

Each KAD plant has a team of engineers monitoring the way utilities are being used and finding ways to make improvements. It's interesting to note that KAD has cut its energy consumption by 9 percent since 1972, while its physical plant—the floor space—has increased by almost 40 percent. Kodak Office and Riverwood reduced their electrical consumption by 20 percent in 1974. Sizable reductions also were made in use of steam and water at these units.

Similar savings are reported by Eastman Chemicals Division where, for example, savings of as much as 10 percent were experienced in 1974 by Texas Eastman Company in Longview.

What about other important raw materials? Are they in short supply?

Fortunately, no—at least, not just now. Supplies of raw materials, parts and assemblies needed to maintain production of photographic films, papers and hardware have improved significantly over the past few months. We expect this trend to continue in 1975.

Kodak Park reports that while it never ran out of anything critical last year, it came close several times. Polystyrene for plastic parts and resins for polyester film base are derived from petroleum; they were in tight supply through much of last year but the situation has since improved.

The situation is also improving for the Kodak Apparatus Division. Some items—fractional horsepower motors and certain grades of sheet metal—are in short supply, but here, too, the picture is getting brighter.

With few exceptions, raw materials needed for operations of the Eastman Chemicals Div. are adequate now to meet present levels of production. One of the exceptions is natural gas for Tennessee Eastman Company. TEC has had to change from natural gas to other fuels wherever possible because of curtailed supplies. Further reductions in supplies of natural gas would be a real hardship in Kingsport.

Speaking generally, it's not so much the shortages that concern us as it is the high cost of virtually everything—energy, raw materials, manufacturing equipment and the services we buy.

That brings us back to inflation. What's the best way to fight it?

First of all, it's essential that the government's long-run policy be one of having its receipts and expenditures balance. Then, given this background in the government sector, the most effective way to fight inflation is to permit supply and demand to interact in an economy operating as freely as possible. I hope we can avoid wage and price controls. The competitive free enterprise system, operating on supply and demand, is the best system for allocating goods and resources. Controls prevent it from working effectively.

Kodak selling prices increased substantially in 1974, after a decade of relative stability. Was there any effect on demand for Kodak products?

Not that we can ascertain, but that's a function of our track record in pricing over a number of years.

Here's what I mean. Since 1967, Kodak's photographic price index has risen only half as much as the U.S. consumer price index. Using the 1967 price level as 100—as government statisticians do—prices of Kodak photographic products stood at 122 in November. The consumer price index crossed the 154 mark at that time. Prices of products made by Eastman Chemicals Division are generally more volatile, but here, too, our record is a good one. Overall, Eastman Chemicals Division prices currently stand about 27 percent above the 1967 level.

As for the increases of last year, our prices did go up faster than what we might consider normal, but they did not increase nearly as much as the cost of raw materials and the services we buy from others. As an example, the cost of wood pulp, silver, propane and ethylene glycol—four commodities which are very important to us—increased by 100 to 200 percent during the past year or so. Set against that kind of experience, increases in Kodak selling prices look pretty moderate.

In what could be a difficult year for the company, why are we spending more than $600 million on capital improvements?

Sure, things could be difficult this year. But you don't manage a company like Kodak for the short haul. Looking on down the road, we see substantial opportunities. To capitalize on those opportunities, we must act now. The record budget for 1975 says a great deal about our view of Kodak's future.

Last year, the decline in U.S. productivity—as measured by output per man hour—was much discussed. What can Kodak people do to help?

To Kodak people, I would say—Do more of the same. Do your best to help the company operate effectively and efficiently . . . look for savings . . . reduce waste . . . in the plants, the laboratories, the offices, and the marketing centers. Remember, the relationship between our costs and our selling prices is a direct one. If we hold costs down, we can keep prices reasonable. If we keep prices reasonable, our products will be that much more attractive to customers.

Getting down to it, how does Kodak look in 1975 in terms of sales prospects, from market to market?

Our marketing people know they will have to work harder this year, but I sense their confidence that Kodak products—many of them new or improved in the last few years—will move well.

In amateur photography, there is no evidence that consumers reduced their picture-taking activity last year, though it's clear they were more selective about hardware purchases. We hope to see a similar pattern in 1975. What it comes down to, I suppose, is the fact that many pictures are really not deferrable. Children have birthdays, go off to schools, graduate, get married and have children of their own. There is an immediacy about taking family pictures. All of this triggers demand for film, for processing services and for the products we sell to photofinishers. *(continued)*

A Look at Kodak Today

Other portions of the business are relatively insensitive to economic trends. Take business systems. Here, our people can—and believe me, they do—demonstrate the savings available to customers who use microfilm information handling systems. Another example is in radiography. If a patient needs an x-ray, the doctor will order or take one. New health care programs should account for new Kodak business, and national health care legislation—if passed into law—will benefit sales of radiographic products.

In professional photography, there is great enthusiasm for new Kodak Vericolor II films, and in the graphic arts, the general trend towards lithography and our own movement into the plate business should offset cutbacks in promotional printing. The motion picture industry is rebounding and that's good news for Kodak. The television industry is showing considerable interest in several new Kodak products which simplify the preparation of TV newscasts.

Don't mistake my meaning. I'm not saying it will be easy. But I am saying that the opportunities are there. All in all, I think 1975 will be a satisfactory year for the photographic industry, Kodak included.

What about the outlook for the Eastman Chemicals Div.?

At the beginning of 1974, ECD production was at record or near-record levels and raw materials were in very short supply. Later in the year, demand decreased and sales of fibers and chemicals for textile products were affected severely. Sales of other chemicals and plastics remained generally strong.

From a marketing point of view, the cycle will probably reverse itself this year—with stronger demand in the second half than in the first. This will be particularly true of fibers and related products, which sold at depressed levels at the end of 1974. Sales of filter products, industrial chemicals and coatings chemicals are expected to show growth, and demand for Tenite plastics should increase moderately.

And internationally? Does being an international company help Kodak grow at a steadier rate?

Yes, in most years it's the old adage about not having all your eggs in the same basket. Not all countries experience economic growth or decline at the same time or at the same rate. While sales may be weak in one country, in another they may be increasing. Generally, there's an averaging effect.

As for 1975, the biggest question mark is Europe. Economic conditions in some of the larger European countries are not unlike those of the United States. Given the importance of the European Region to the overall business of the international photographic division, the division will be hard pressed to come anywhere close to the sales gains of recent years.

International companies have been charged with exporting jobs and dollars. Is there any truth to that charge?

The charge is certainly inappropriate with respect to Kodak.

You do hear the charge and, frequently, in prestigious publications. A few weeks ago, the *New York Times* reported that all "conventional" cameras sold in the United States are manufactured abroad. Obviously, that's wrong, and we made haste to point out that it was wrong. The fact of the matter is that all Kodak cameras, projectors and other items of photographic equipment sold in this country are made right here, in Rochester. In addition, a very substantial portion of what we make here goes to export markets.

Our sales in export markets, resulting mostly from operations in Rochester and Kingsport, explain Kodak's sizable contribution to the U.S. balance of payments. That contribution totaled over $500 million in 1973—the net inflow from exports, dividends and royalties from abroad when compared with the amount we paid out for raw materials, investments abroad, and dividends to foreign shareholders.

To a considerable degree, our export business depends upon the presence of Kodak companies outside the United States. So there's no doubt here that being "multinational" has had a beneficial effect on Kodak's U.S. employment.

By the way, we also informed the *New York Times* that none of the finished products we make outside the United States are sold by Kodak in domestic markets.

Let's change the subject. What is the status of the antitrust suits we are contesting?

We are in the pre-trial discovery stage. That is, the plaintiffs (Berkey, GAF and Pavelle) are supplying documents to us and we are supplying documents to them. In addition, this year the attorneys will be taking depositions—examinations under oath before trial—as we proceed towards trial. Within a few months after the depositions have been completed, the trials will begin. Under the present schedule, the first case to go to trial could begin in November of this year.

All of us involved in preparations for these lawsuits are convinced that the company has sound defenses to the charges brought by Berkey, GAF and Pavelle.

Earlier you mentioned that many of our products are new or recently improved. Can you say anything about our plans to make and market a plain paper copier?

I can't add anything new at this time concerning the details of the Kodak product. I can tell you that the program is proceeding on schedule and, also, that we're pleased with Kodak developments. As a market, we see this one—copying and duplicating—as a natural place for Kodak to be. In the first place, the market is a very substantial one. Second, we think we have the people and the organization in place to serve it. *In other words, the additional cost to us of marketing Kodak copiers isn't overwhelming.* Third, it seems logical to us to apply our work in electrophotography to products of this kind. And finally, the program is attractive from an economic point of view.

What about instant photography. Is there anything more to be said at this time?

For obvious reasons, I can't elaborate on our plans. I believe you know where we stand today. We've decided on the chemical characteristics of a Kodak color film and on the configuration of Kodak cameras for instant pictures. And we're well pleased with the quality these products are providing as we proceed with testing in-house. The big job now is to complete the construction of manufacturing facilities and the installation of equipment capable of mass-producing instant products.

(continued)

Is this "from the ground up" or can we use existing facilities to make instant products?

There are some similarities between instant and conventional photo products in terms of manufacturing requirements. In the production of the support or base for the films and in coating the base material with a light-sensitive emulsion, there's a high degree of commonality.

That's not true of finishing operations, where the sensitized product is slit, chopped, assembled into cartridges or packs, inspected, packaged and made ready for shipment.

With respect to the production of base material and to coating instant products, our facilities are largely in place. What we need now are finishing facilities of commercial magnitude. And we must satisfy ourselves that those facilities—once in place—can produce Kodak film packs with consistent quality and at reasonable cost.

The production of Kodak cameras for instant photography will be based on the very considerable capabilities the apparatus division has developed over the years—in optics, in mechanics, in electronics. The assembly of a finished product depends, obviously, on the nature of the item in manufacture. And there are variations from model to model. However, the requirements established for the manufacture of instant cameras won't vary that much from those applied routinely to the production of "conventional" models in the Kodak line.

In closing is there anything else you would like to say?

Only this. Dealing with the challenges of the new year is going to require all the ingenuity we can muster. It will be a year of difficult decisions, a time for concentrating our effort on what is urgent and for deferring what is not. We're going to press ahead with important development programs. At the same time, we must look for opportunities to expand sales of existing products and services. We're going to invest heavily in new and better facilities. At the same time, we must use what we have to best possible effect. Kodak people are the key.

New Products for Medical Radiography Offered by Kodak

Rare earth intensifying screens and a green-sensitive x-ray film which can offer medical radiography expanded diagnostic capabilities are new products from Kodak.

Based on recently developed phosphors, the new Kodak Lanex screens convert x-ray energy to light more efficiently than does calcium tungstate, the phosphor most commonly used in radiographic intensifying screens.

Used with appropriately sensitized films, the lanthanide series phosphor screens offer the radiologist several benefits including reduction in the number of retakes caused by patient motion; reduction in voltage demand and extension of x-ray equipment life, which cuts costs and increases equipment flexibility; and achievement of higher contrast images.

The new Kodak ortho G film is a high-contrast, green-sensitive film which responds to the light emission characteristics of lanthanide series phosphor screens and is compatible with Kodak RP X-Omat chemicals and processors. Kodak ortho G film and the Kodak Lanex regular screens are now being hospital-tested and are expected to be commercially available this spring. The screens will be available unmounted or mounted in Kodak X-Omatic cassettes.

The first x-ray film processor made in the U.S. with a cold-water wash also has been announced by Kodak.

The compact, energy-saving Kodak RP X-Omat processor, model M7A, is capable

of delivering dry, ready-to-read, quality radiographs in 150 seconds. In addition to the cost savings on gas or electricity previously needed to heat the wash water, elimination of a thermostatic mixing valve reduces installation costs.

The M7A processor is ideally suited for use in clinics, physicians' offices and in hospital situations where dispersed x-ray processing is utilized and space is limited. It can also be located near operating rooms where quick access to radiographs is required for making fast, accurate diagnoses.

The processor is currently undergoing trade trials and is expected to be commercially available in March of this year.

Public Service Film Presents Story of Radiologist

A public-service film entitled "The Radiologist at Work," a Kodak color, sound-on-film production, is now being distributed to television stations throughout the U.S.

Produced for the American College of Radiology by Eastman Kodak Company as part of a long-standing program in public information about radiology, the five-minute film was shot on location at the new Bernalillo County Medical Center and Lovelance Clinic, both in Albuquerque, N.M.

In "The Radiologist at Work," the viewer is conducted through a modern department of radiology showing radiologists handling emergency cases, and at work in nuclear medicine, therapy, routine and special procedure x-ray diagnosis.

Already requested by 186 television stations, the film has been entered in the Chicago International Film Festival for an award in the medical division.

For 19 years Kodak has sponsored an information program for the College, presents two medical x-ray forums for science writers each year, and publishes the monthly *Radiology News Digest* for medical editors.

REEVES

Kodak To Spend $616 Million for Capital Improvements in 1975

Kodak plans capital expenditures totaling $616 million during 1975.

The 1975 capital budget includes estimated expenditures of $289 million for the U.S. and Canadian Photographic Division, $118 million for the International Photographic Division, and $209 million for the Eastman Chemicals Division.

The company's worldwide budgeted expenditures for 1974 totaled $516 million.

About $225 million will be used for expansion and improvement in Rochester, N.Y., the company's headquarters and principal manufacturing location:

- At Kodak Park—continuation of projects to provide additional manufacturing capacity for film, paper, synthetic chemicals and related products; improved chemical waste incineration and sludge treatment facilities; and projects to provide additional utilities requirements.
- At the Kodak Apparatus Division—addition of production facilities to the company's equipment manufacturing division.
- At Kodak Office, the Distribution Center and the Research Laboratories—continued expansion, renovation and improvement of facilities.

Significant budgeted expenditures for the U.S. and Canadian Photographic Division outside of Rochester include these major projects:

- At Kodak Colorado—continued construction of film base, sensitizing and finishing facilities.
- At Pacific Southern Region—expansion of marketing and distribution facilities.
- At New York City Region—preliminary work on a new distribution center in South Brunswick, N.J., to serve metropolitan New York.

Major projects in the $118 million International Photographic Division budget for 1975 include continued construction of finishing facilities to produce film cartridges for pocket cameras in Europe, both in France and England; expansion of camera manufacturing facilities at Gruibingen, Germany, completion of the synthetic chemicals plant in Chalon, France; expansion of the new marketing and head office building and a systems technology center near Paris; and continued expansion of color print and processing facilities in Germany and France.

Expenditures by the non-manufacturing companies in Europe will provide for continued expansion and improvement of processing, marketing and distribution facilities, with specific projects underway in Greece, Italy, and Switzerland, and the acquisition of property for a planned new facility outside Madrid, Spain.

Other projects outside the U.S. provide for expansion and improvement of facilities in Latin America, Asia, Africa, the Middle East and Australia. These include continuing improvements in paper sensitizing facilities in Brazil; continued construction of new administrative offices in Brazil; expansion of film manufacturing facilities in Mexico; and additional film and paper sensitizing capacity in Australia. New marketing and distribution facilities are planned or are underway in Australia and Puerto Rico.

Major projects for the Eastman Chemicals Division provide for the beginning of work on a new chemical manufacturing plant at Batesville, Ark., the expansion of various plant capacities at Kingsport, Tenn., including cellulose ester products, and the continued expansion of Kodel polyester fibers capacity at Columbia, S.C. Projects at Longview, Tex., include the completion of additional ethylene glycol and oxo aldehyde capacity, and for additional polypropylene facilities. Environmental improvement programs will be continued.

Gerald B. Zornow, board chairman, and Walter A. Fallon, president and chief executive officer, stated that the 1975 capital program will benefit all elements of the company—research, development, manufacturing, marketing, and distribution.

In a joint statement, they said: "This record budget affirms our confidence in the company's ability to sustain good growth and expresses our commitment to that goal. It will enable us to meet the increasing demand for existing Kodak products as well as the anticipated demand for new and better products in the future. It also will enable us to achieve further productivity gains, continue our programs to protect and improve the environment, and, in general, provide better service to our customers."

Capital expenditure budgets for all three divisions will be reviewed throughout the year in the light of changing economic, environmental or business conditions, here and abroad.

Harvey

Better Understanding Urged for U.S. Economic System

Lack of understanding of the American economic system could cost Americans much of their enviable standard of living.

Douglass C. Harvey, a Kodak vice-president and general manager of the Kodak Apparatus Division, spoke on this and related economic topics at a recent meeting of Rochester-area educators.

To illustrate his concern, Harvey cited a prediction by C. Jackson Grayson, chairman of the Price Commission during Phase III, that in about "15 to 20 years, the essential characteristics of a competitive enterprise system (non-regulated prices, profit motive, risk-taking and collective bargaining) will no longer make up the economic engine that drives our system."

Harvey disagreed with this prediction but noted, "If we do lose what we have going for us, it will be by default—default in many quarters. And I might start the list with the people most familiar with the American economic system—those of us in business and industry. We have not done a very spectacular job of explaining how the system operates.

"The American economic system is characterized by the profit motive, competition, innovation and the market mechanism. It encourages choice, individual freedom, excellence, and responsible change. And, in terms of goods and services, it thereby produces the highest standard of living in the world."

Profit, he said, is one of the most misunderstood parts of the American economic system.

Harvey said, "Profits provide incentive for efficient performance; they stimulate new ideas, new products, new services; they pay taxes; they pay investors for use of their money; they help to increase productivity and raise wage levels; they allow a company to meet its social responsibilities; and they sustain jobs and make possible new ones.

"In spite of being the source of all these benefits, profits are thought of by many people as some kind of 'extra.' If profits could be minimized—better yet, entirely eliminated—the reasoning goes, we'd all be laying out less for what we buy," he said.

"Just the reverse is so. The profit incentive has, overall, kept prices from rising even faster than they have. Why? Because the profit incentive motivates producers to find ways of producing more efficiently in order to counteract the increasing cost of labor and materials."

One way to produce more efficiently is with better tools, Harvey said. These tools are paid for with profits in the form of earnings retained in the company and through investments made by shareowners who expect a gain.

Where and how tools are used is determined through the market mechanism. "The consumer's freedom of choice is a key to the marketing mechanism," Harvey pointed out.

"If you and I have choices among goods and services, we let producers know collectively by our purchases what we value more and what we value less.

"The market mechanism, then, is not a one-shot 'go or no-go' decision. Rather, it functions more like the human nervous system, giving automatic positive feedback to stimulate adjustment. It is continually sending signals: 'Make more.' 'Make less.' 'Give us some variety.' 'Time to turn to something new.'

"To stay competitive, we not only have to invest in improved tools and methods for increased productivity, but we also have to come up with different products to satisfy increasingly sophisticated customer needs."

The real point of competition, Harvey said, lies in making the most of what we have as individuals and as a people.

Single copies of Mr. Harvey's talk are available to company shareowners and others. Write to Eastman Kodak Company, Dept. 412L, 343 State Street, Rochester, N.Y. 14650.

Smith

Beach

Robertson

Arnold

Management Changes

At the November meeting of the company's board of directors, **Dr. Harold L. Smith, Jr.** was elected a Kodak vice-president and appointed to succeed **Norman F. Beach** who has retired as general manager of the Kodak Park Division in Rochester, N.Y., both effective January 1 of this year.

With Kodak since 1939, Dr. Smith has held a series of supervisory positions at Kodak Park. He was appointed assistant manager of the film manufacturing organization in 1969 and manager in 1972. The following year he became an assistant general manager of Kodak Park and was elected an assistant vice-president of the company.

Beach, a Kodak vice-president, has retired after 44 years of service. He continues as a director of the company but has resigned as a member of the board's executive committee. **Frederic S. Welsh**, vice-president and director of Corporate Relations and a member of the board of directors was appointed to the executive committee, effective January 1.

Beach joined the company in 1930 in the Kodak Research Laboratories and later held a number of positions in film emulsion and plate manufacturing. He became an assistant manager of that organization in 1959. Two years later he was appointed assistant general manager of Kodak Park and elected a vice-president in 1962. Beach was appointed general manager of Kodak Park in 1967, and later that year was elected a Kodak director and appointed a member of the executive committee.

John R. Robertson, general manager, Business Systems Markets Division (BSMD), was elected an assistant vice-president of the company, succeeding **James M. Arnold** who retired last November.

Robertson began his Kodak career as a sales representative of the Recordak Corporation, a former Kodak subsidiary. He was appointed director of Sales Development, Information Technology Markets, BSMD, in 1968, and later that year director of Sales Development, Micrographics Markets. He became manager of Field Sales in 1970, sales manager of BSMD in 1973, and general manager the following year.

Arnold joined Kodak in 1941. After a number of assignments in the company's credit and comptroller's division, he transferred to the Recordak Corporation in 1953. Moving through a series of management positions with the Recordak Corporation, Arnold was named president and general manager in 1959. In 1965, when Business Systems Markets Division was formed, Arnold was named general manager and was elected a Kodak assistant vice-president.

Company Directors Declare Quarterly, Extra Dividends

At the November meeting of the Board, Eastman Kodak Company directors declared a quarterly cash dividend of 39 cents and an extra dividend of 50 cents a share on the company's common stock. These dividends were paid January 2 to shareowners of record December 3, 1974.

The action brought 1974 dividends declared on the stock to $1.99 a share, 18 cents more than in 1973. The total amount of cash dividends declared in 1974 for the company's 236,500 shareowners is $321 million dollars, an increase of $29 million over 1973.

Bicentennial Ad Campaign Portrays American Life

A dozen outstanding photographers will present their individual views of America in a new Eastman Kodak Company ad campaign for professional photographic trade magazines. The campaign began with January issues and will run through mid-1976.

Each photographer, working for the most part in his field of special competence, will portray facets of American life or history. These visually provocative images should stimulate professional photographers across the country to seek Bicentennial-related assignments. The campaign will also serve to reinforce the Kodak reputation for quality products and demonstrate the results possible from using new and established films.

The work of a different photographer will be featured each month through 1975, and the six ads which draw the most reader inquiries will appear again in 1976 to complete the campaign. Each ad will identify the photographer, the film used, and offer technical information on how the picture was made. Professional photographers will be invited to write for more detailed information about the ad.

The full-page, back-cover ads were developed to support the sales effort of Kodak's professional and finishing markets division, and will appear in several trade publications.

Kodak to Co-Sponsor In-house Photography Award

The first annual Industrial Photographic Department of the Year Award to recognize excellence and achievement in the field of business and industrial photography is being co-sponsored by the Professional Photographers of America and Eastman Kodak Company.

Participating in-house industrial photographic departments will be judged on significant, measurable contributions they have made in serving their parent companies.

Winners in seven categories will compete for the over-all department of the year award. Photographic categories are: training/personnel, sales and advertising, public relations, accounting and finance, engineering, research, and manufacturing.

Important Notice

Next month the company's annual report and proxy statement will be mailed to Kodak shareowners. In order that you may receive this material promptly, please use the form below to report any recent address changes to the company's stock transfer agent before the anticipated record date, March 3, 1975. Send completed form to Lincoln First Bank of Rochester, Transfer and Dividend Disbursing Agent, P.O. Box 1250, Rochester, New York 14603.

Name of Shareowner_____

Shareowner Account Number_____

Street_____

City_____ State_____ Zip_____

Snapshots

■ The company will construct an office and warehouse building in South Brunswick, N.J. Upon completion, the new facility will house the company's New York City Regional Distribution Center which will move from its present location in Manhattan. The Regional Center serves customers in metropolitan New York, Long Island, parts of Pennsylvania, New Jersey, and southern New England.

■ A new service from Kodak provides 110-size Kodachrome duplicate transparencies mounted in 30 x 30 mm plastic mounts from 135-size, 2 x 2-inch mounted transparencies. The new service is available only from the Kodak Processing Laboratory in Rochester, N.Y.

■ Kodak's pavilion at Expo '74 in Spokane, Washington, drew 1,035,959 potential picture-takers during the six-month run at the world's fair which closed last November. Exposition officials put the total attendance at 5,187,000.

■ The company has received an "Award of Printing Excellence" for the August 1974 issue of Kodak Highlights. Sponsored by printing and advertising associations of Western New York, the annual competition was held in connection with International Printing Week 1974.

■ A silver Oscar of Industry award was presented to Eastman Kodak Company in recognition of the best 1973 annual report by a major U.S. manufacturer. The awards competition, sponsored by Financial World Magazine, includes 12 categories with more than 5,000 entrants. In addition to the silver award, Kodak also received a bronze Oscar in the chemical industry category.

KODAK HIGHLIGHTS
EASTMAN KODAK COMPANY
343 STATE STREET
ROCHESTER, N. Y. 14650

Bulk Rate
U.S. Postage Paid
Eastman Kodak Company

This welder fabricates titanium holding tanks used for film processing at Kodak Park in Rochester, N.Y. This year the company has budgeted about $225 million for capital improvements in Rochester, the company's principal manufacturing location (see story on p. 11).

CR5-75F